



State of New Hampshire

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FOR IMMEDIATE RELEASE

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NEW HAMPSHIRE BANKING DEPARTMENT REACHES AN AGREEMENT WITH THE MORTGAGE SPECIALISTS, MICHAEL GILL, AND LISA TRACY

Banking Commissioner Peter C. Hildreth today announced that the Banking Department has reached a settlement with The Mortgage Specialists (TMS), Michael Gill, and Lisa Tracy regarding the Order to Show Cause and Order to Cease and Desist (#08-223) dated July 23, 2008.

Banking Commissioner Peter C. Hildreth stated that "The settlement appropriately sanctions this company for the violations we uncovered. Further, the settlement provides a process to review past loan files for violations of State law and to ensure future compliance with State law."

Under the terms of the Agreement, The Mortgage Specialists (TMS), Michael Gill, and Lisa Tracy will pay monies totaling \$425,000, and submit to an independent review of all loan files processed since August 1, 2007, and randomly selected loan documents from March 25, 2005 through July 31, 2007.

In lieu of penalties Respondent TMS will pay \$300,000 of which \$150,000 will be paid to the National Mortgage Licensing System administered by the State Regulatory Registry, LLC and \$150,000 of the same \$300,000 due from Respondent TMS will be paid to the New Hampshire Housing Finance Authority for foreclosure prevention and new homeowner assistance programs. Respondents Gill and Tracy will each pay \$50,000 in penalties, and Respondent TMS will also pay a penalty of \$25,000 to the Department for failing to pre-screen telephone numbers from the National Do Not Call List.

In addition, going forward, the independent auditors will review loan applications for compliance with applicable State and Federal laws and will thoroughly review and correct the deficiencies in the internal, mortgage review policies and procedures at TMS.

Jean Duerr and David Caillouette were also named in the Order to Show Cause and Order to Cease and Desist. They are not part of this Consent Order.

The Consent Order can be viewed at <http://www.nh.gov/banking/orders.html>.

New Hampshire residents with questions about their loan documents are encouraged to call the Home Owner Hotline at 1-800-437-5991.